

**UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF NEW YORK**

**In re:**

**LEHMAN BROTHERS HOLDINGS INC., et al.,**

**Debtors.**

**X**  
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**Chapter 11**  
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:  
**Case No. 08-13555 (SCC)**  
:  
:  
:  
**X**

**FIRST OMNIBUS ORDER GRANTING LEHMAN BROTHERS HOLDINGS INC.'S  
MOTION FOR ENTRY OF AN OMNIBUS ORDER (I) TO ENFORCE AGAINST  
NONCOMPLIANT MORTGAGE LOAN SELLERS, AND TO COMPEL THEM TO  
COMPLY WITH, THE ALTERNATIVE DISPUTE RESOLUTION PROCEDURES  
ORDER FOR INDEMNIFICATION CLAIMS OF THE DEBTORS AGAINST  
MORTGAGE LOAN SELLERS, AND (II) FOR CIVIL CONTEMPT SANCTIONS  
AGAINST SUCH NONCOMPLIANT MORTGAGE LOAN SELLERS FOR THEIR  
VIOLATION OF THE ORDER**

Upon the motion dated November 16, 2016 (the “Motion”)<sup>1</sup> filed in the above-captioned jointly administered Chapter 11 Cases by Lehman Brothers Holdings Inc. (“LBHI”), as Plan Administrator under the *Modified Third Amended Joint Chapter 11 Plan of Lehman Brothers Holdings Inc. and Its Affiliated Debtors*, confirmed by Confirmation Order entered December 6, 2011 [ECF No. 23023], for the Debtors in the Chapter 11 Cases, seeking entry of an omnibus order (i) to enforce against Noncompliant Sellers, and to compel them to comply with, the June 24, 2014 *Alternative Dispute Resolution Procedures Order for Indemnification Claims of the Debtors Against Mortgage Loan Sellers* entered July 18, 2014 [ECF No. 45277] (the “ADR Order”) in the Chapter 11 Cases, and (ii) for civil contempt sanctions against such Noncompliant Sellers for their violation of the ADR Order, as set forth in the Motion and in the Declaration filed therewith; and, the Court having jurisdiction to consider the Motion and the relief it requests; and due and proper notice of the Motion having been provided in accordance

<sup>1</sup> Capitalized terms used but not defined herein shall have the meanings ascribed to them in the Motion.

with the ADR Order and the Court's amended Order entered June 17, 2010 [ECF No. 9635]; and LBHI having adjourned the Motion as to the following Noncompliant Sellers pursuant to that certain Notice of Adjournment [ECF No. 54091]: America One Mortgage Corporation, American Pacific Mortgage Corporation, Atlantic Trust Mortgage Corp., California Home Investments, Inc., Comstock Mortgage, Cornerstone Mortgage, Inc., Family Mortgage Inc., K&B Capital Corp., Parkside Lending, LLC, and Sacramento 1st Mortgage, Inc. (collectively, the "Adjourned Parties"); and the Court having conducted a hearing for the Motion on December 8, 2016 with respect to all Noncompliant Sellers identified in the Motion except for the Adjourned Parties; and the Court having granted separate relief as to Noncompliant Sellers, Home Lenders of Georgia, LLC and Mortgage Experts; and accordingly Home Lenders of Georgia, LLC, Mortgage Experts and the Adjourned Parties are each excluded from the relief granted in this Order and are each excluded from any reference to "Noncompliant Sellers" appearing in the following provisions of this Order; and the Court having found and determined that the relief sought in the Motion is in the best interests of LBHI, its creditors, and all parties in interest; and LBHI having submitted a revised version of the proposed order for the Motion; and after due deliberation and sufficient cause appearing therefor, it is

ORDERED that the Motion is GRANTED as set forth herein; and it is further

ORDERED that each Noncompliant Seller identified in "Schedule A" annexed hereto is found in contempt of and is sanctioned for violating this Court's ADR Order and each is directed to reimburse LBHI for costs and expenses incurred in preparing and prosecuting the Motion in an amount to be approved and allocated by the Court as set forth herein, *provided that* any Noncompliant Seller that fully and timely complies with this Order by serving any overdue Response to an Indemnification ADR Notice and fully participating in mediation of its ADR

Dispute as set forth herein, will be relieved and expunged of the sanctions entered herein; and it is further

ORDERED that each Noncompliant Seller identified in the schedule annexed hereto as “Schedule A” shall immediately comply with the ADR Order, and all ADR Procedures, and shall serve upon LBHI a Response to the Indemnification ADR Notice served upon that Noncompliant Seller within five (5) days of service of this Order by LBHI; and it is further

ORDERED that each Noncompliant Seller identified in the schedule annexed hereto as “Schedule A” shall immediately comply with the ADR Order, and all applicable ADR Procedures therein, shall immediately proceed to the Mediation Stage (as defined in the ADR Order) and shall attend and fully participate in mediation of its ADR Dispute on one of the dates scheduled by the assigned mediator after entry of this Order; and it is further

ORDERED that to the extent any Noncompliant Sellers identified in “Schedule A” hereto fail to fully and timely comply with this Order after service of it, such Noncompliant Sellers shall reimburse LBHI for their pro rata share of the costs and expenses, including reasonable attorneys’ fees incurred by LBHI in making the Motion, as well as any subsequent motion practice resulting from such Noncompliant Sellers’ further non-compliance, and LBHI shall serve upon them and shall submit to this Court to approve LBHI’s request for such reimbursement, and each Noncompliant Seller shall have fifteen (15) days to respond to LBHI’s foregoing submission, and LBHI shall have seven (7) days to reply to each response; and it is further

ORDERED that, in addition to the foregoing, to the extent any Noncompliant Seller identified in “Schedule A” hereto fails to fully and timely comply with this Order after the

Order's service, such Noncompliant Seller shall be subjected sanctions in the amount of \$100.00 per day until that Noncompliant Seller fully complies; and it is further

ORDERED that the ADR Order shall remain in full force and effect; and it is further

ORDERED that notwithstanding any provision in the Federal Rules of Bankruptcy Procedure to the contrary, this Order shall be immediately effective and enforceable upon its entry; and it is further

ORDERED that this Court retains jurisdiction with respect to all matters arising from or related to the interpretation and implementation of this Order.

Dated: New York, New York  
December 15, 2016

/S/ Shelley C. Chapman  
UNITED STATES BANKRUPTCY JUDGE

<b>Schedule A</b>		
<b>Noncompliant Seller</b>	<b>Service Address for ADR Order &amp; Indemnification ADR Notice Documents</b>	<b>Service Address for Warning Letter (if Different from Service Address Used for ADR Order &amp; Indemnification ADR Notice)</b>
Arizona Wholesale Mortgage Inc.	3813 E. Tracker Trail Phoenix, AZ 85050 Steve_b85032@yahoo.com	
Aurora Mortgage, LLC	8150 Leesburg Pike Ste. 410 Vienna, VA 22182 rbodine@aurorafs.com	
Bancplus Home Mortgage Center Inc., and Andavtum Mortgage Network, as successor to BancPlus Home Mortgage Center Inc.	Bancplus Home Mortgage Center Inc., Andavtum Mortgage Network, as successor to BancPlus Home Mortgage Center Inc.  8320 W. Sunrise Blvd., Suite 104 Plantation, FL 33322	
Bankers Choice Mortgage Corp.	10651 N. Kendall Dr. Suite 200 Miami, FL 33176 acobo@bankerschoice.com	
Colonial 1 <sup>st</sup> Mortgage, Inc.	11551 Nuckols Rd. Glen Allen, VA 23059 ddougherty@colonial1mtg.com	
Community Mortgage Solutions, Inc.	1030 Palm Coast Parkway NW, Ste. 3 Palm Coast, FL 32137 blair@communitymortgagesolutions.com	
First American Financial Mortgage Corp.	2171 Northlake Parkway Ste. 120 Tucker, GA 30084 djohnson@fafmc.com	3469 Lawrenceville Hwy. Ste. 205 Tucker, GA 30084 djohnson@fafmc.com
First Empire Funding Corp.	10816 72nd Ave. #3 Forest Hills, NY 11375 dgrancaric@hotmail.com	
F.T. Financial Inc.	9420 E. Doubletree Ranch Rd. Suite C-110 Scottsdale, AZ 85258 Frank@FTFinancialinc.com	
Generation Mortgage Associates LLC	6400 Seminole Blvd Suite 2 Seminole, FL 33772 syoun@generationloans.com	
Great American Capital Corporation	2690 Weston Rd #200 Weston, FL 33331 carl@great-american.net carl@sourceonemortgage.net	

Intermountain Mortgage Company, Inc.	2029 Sidewinder Drive Park City, UT 84060 rob@greatlender.com	
JD Financial Group Inc.	1850 South Ocean Drive Ste. 1708 Hallandale Beach, FL 33009 jd@jdfingroup.com	
Mai Financial Services Inc.	C/o Dennis G. Harkavy, Attorney at Law 23901 Calabasas Rd. Suite 2003 Calabasas, CA 91302 dgharkavy@yahoo.com	
Metropolitan Financial Mortgage Company	4445 West 77 <sup>th</sup> Street Suite 160 Edina, MN 55435 Ron@metrofmc.com	
Nationwide Home Loans Inc.	6500 S. Quebec Suite 105 Englewood, CO 80111 dauidsruch@gmail.com	
NW Lending Inc.	10900 NE 4 <sup>th</sup> St., Suite 1430 Bellevue, WA 98004 glenclausing@comcast.net	
Pacific First Financial Services, LP	7226 Sepulveda Blvd. Van Nuys, CA 91405	
Premier Choice Mortgage Inc.	16993 Parthenia St Suite 211 North Hills, CA 91343	
Rancho Coastal Realty, Inc.	937 S. Coast Highway 101 Ste 209 Encinitas, CA 92024	
The Carolina's First Mortgage, Inc.	3710 Old Lassiter Mill Rd. Raleigh, NC 27609 FDanaFirst@aol.com	
The Force, Inc.	7540 Lochness Drive Miami Lakes, FL 33014 Denise@theforcegroup.com	
Trustworthy Mortgage Corp.	1964 Gallows Rd. Suite 350 Vienna, VA 22182 linn@trustworthyloan.com	
USA Lending Inc.	132 SW 9 <sup>th</sup> Street Miami, FL 33130 zena@usalendinginc.com	